

# HOW THE BUILD BACK BETTER ACT INVESTS IN IOWA

The Build Back Better Act is an investment in Iowa's middle class, its Main Street economies, and the future success of our state. It is one of the largest middle class tax cuts in U.S. history, and is projected to create 1.5 million jobs by 2025.

## Supporting New Jobs, Working Parents, & Iowa's Economic Growth

**Child Care: Caps families' child care costs at 7% of their income** for families earning up to 250% of Iowa's median income, and increases access to affordable, reliable child care through grants to child care facilities

- 23% of all Iowans live in a child care desert. The average cost of child care for an Iowa toddler is \$10,039/year, meaning a two-parent household pays on average at least 11 percent of their income on care every year

**Biofuels: Invests \$1 billion in biofuel infrastructure** to expand the use of biofuels nationwide, an investment that is projected to put up to \$500 million in the pockets of Iowa farmers

- Extends the biodiesel tax credit for four years, and further opens new markets like sustainable aviation fuel

**Job Training:** Expands job training programs to help workers secure good-paying jobs, increases the Department of Labor's workforce development investment by 50% for the next five years

## Cutting Taxes & Lowering Costs for Iowa Families, Students, Seniors

**Child Tax Credit:** A one year extension of the expanded Child Tax Credit, which is already delivering **a tax cut to more than 80% of Iowa's families** and injecting more than \$157 million a month into Iowa's economy

**Earned Income Tax Credit:** Extends the expanded Earned Income Tax Credit (EITC) to reduce tax burdens on childless workers, a tax cut benefiting 171,000 Iowans

**Lowers Prescription Drug Costs:** Allows Medicare to negotiate lower prices for drugs prescribed at both the doctor's office and the pharmacy, caps out-of-pocket costs for Iowa seniors at \$2,000 a year, and imposes penalties on drug companies that increase their drug prices faster than inflation

**Affordable Care Act Tax Credits:** Continues credits originally provided through the American Rescue Plan – which have already cut premiums in half for Iowans on Healthcare.gov plans, an average savings of \$876

**Pell Grants:** Increases the maximum award by \$550 to support 54,600 students in Iowa who rely on Pell to complete secondary and vocational education

**Expands Medicare:** Expands coverage to include hearing and audiology services for more than 600,000 older Iowans

**Improves Elder Care:** Delivers more affordable care for 47,000 older Iowans and people with disabilities

## Investing in Iowa's Main Streets, its Future Success & Prosperity

**Universal Pre-K:** Guarantees access to pre-K for three- & four-year-olds, to invest in the success of future generations while helping working families. Only 18% of Iowa's 70,000 eligible kids have access to publicly-funded preschool

**Paid Leave:** Up to 4 weeks paid leave for workers or parents dealing with medical issues (either their own or loved one)

**Rural Partnership Program:** Creates new program to aid small rural communities in community & economic development

**Clean Energy:** The largest-ever effort to combat climate change, predicted to cut emissions by 20% by 2030, reduce energy costs, give Iowa kids cleaner air and water, and create thousands of high-quality clean energy jobs

- Funds the Rural Energy for America Program (REAP) to provide grants to farmers and small businesses for energy efficiency upgrades on their operations

